

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6770

BILL NUMBER: HB 1264

NOTE PREPARED: Jan 10, 2012

BILL AMENDED:

SUBJECT: Flood control in Lake County.

FIRST AUTHOR: Rep. Soliday

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill requires the Little Calumet River Basin Development Commission (Commission) to levy a special assessment on parcels of land within the Little Calumet River and Burns Waterway watershed in Lake County. The bill provides that money collected may be used only for expenses directly related to the operation, repair, and maintenance of flood protection systems within the watershed. It provides that money collected through the assessment shall be deposited into a segregated account within the Little Calumet River Project Development Fund.

The bill provides for the repayment of money to the Northwest Indiana Regional Redevelopment Authority.

The bill expands the Commission from five members to nine members. It requires the Commission to meet at least four times per year and to submit annual reports to the Board of County Commissioners of Lake County.

The bill establishes the Little Calumet River Basin Project Advisory Board.

Effective Date: July 1, 2012.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The Commission must impose an annual special assessment against each tract of real property that is within a specified geographic area. Special assessments must be deposited

into a segregated account. The Commission must certify the list of assessments to the county auditor. Money collected may be used only for expenses directly related to the operation, repair, and maintenance of flood protection systems within the watershed.

The county treasurer must add the assessment to property tax statements. The county treasurer must certify to the county auditor the amount of the special assessments collected. The county auditor must pay special assessments collected by the county treasurer to the Commission.

The bill provides for the transfer of the following specified amounts to the Northwest Indiana Regional Development Authority. Transfer amounts may be postponed or reduced if two-thirds of the Commission members vote to adopt a resolution declaring an emergency exists.

Date of Transfer	Amount of Transfer
July 1, 2013	\$2,430,000
July 1, 2014	\$1,470,000
July 1, 2015	\$920,000
July 1, 2016	\$690,000
July 1, 2017	\$500,000

Commission Membership. The bill increases the membership of the Commission from 5 to 9, to include 2 members nominated by the Board of County Commissioners of Lake County and 2 members nominated by 2 specified mayors. This provision will increase per diem and traveling expenses associated with Commission meetings. The Commission meets monthly, and 4 members, who are local, receive \$50 per meeting. (One state employee is not reimbursed.)

Explanation of Local Revenues: The special assessment would be assessed at differing amounts depending on the parcel type assigned under the property tax assessment system.

There are 149,698 parcels in the assessment area. Parcel types could not be found for 129 of those parcels. Also, 8,494 parcels were identified as government owned parcels and 1,020 were identified as being property tax exempt parcels. The assessments would apply to all parcels. This analysis assumes that the government owned, property tax exempt, and unidentified parcels are commercial in nature and therefore subject to the \$180 assessment.

The assessments would total about \$9.8 M per year beginning in 2013. After adjusting for collections rates, the revenue that would be collected from the assessments is estimated at \$8.6 M per year. The parcel counts, assessments, and estimated yearly revenues are as follows:

Property Class	Parcel Count	Assessment	Est. Billings	Est. Revenue
Agricultural	1,268	90	114,120	107,176
Commercial	8,661	180	1,558,980	1,378,521
Industrial	846	360	304,560	276,462
Residential	128,286	45	5,772,870	5,186,538
Utility	994	360	357,840	320,377
Government	8,494	180	1,528,920	1,187,975
Other Exempt	1,020	180	183,600	150,926
Unknown	129	180	23,220	21,239
Total	149,698		9,844,110	8,629,214

State Agencies Affected: DNR.

Local Agencies Affected: Units represented by the Little Calumet River Basin Development Commission.

Information Sources: DNR; Lake County Assessor parcel data.

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